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Report to the Chairman, Subcommittee on Oversight and Investigations, Committee on Veterans' Affairs House of Representatives

July 1993

VA HEALTH CARE

Veterans' Efforts to Obtain Outpatient Care From Alternative Sources

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Human Resources Division

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July 14, 1993

The Honorable Lane Evans
Chairman, Subcommittee on Oversight
and Investigations
Committee on Veterans' Affairs
House of Representatives

Dear Mr. Chairman:

The Department of Veterans Affairs (VA) operates 158 medical centers that provide widely ranging outpatient medical services to our nation's veterans. Some veterans, however, may not receive needed outpatient care because they are ineligible or because centers lack sufficient resources to serve them. In 1992, a VA task force began studying ways to reform veterans' health care eligibility. In view of this reform initiative, you asked us to determine if veterans were obtaining medical care elsewhere when VA medical centers did not provide it.

During visits to six medical centers, we identified 198 veterans who applied for VA medical care during the first 6 months of fiscal year 1992 and were turned away without receiving all needed care. Each of these veterans was turned away for treatment of nonemergency conditions that VA staff considered to be unrelated to their military service. The centers and veterans were judgmentally selected because VA's management systems do not maintain reliable information on which centers turned away veterans or on veterans who did not receive needed care. This information could only be obtained through discussions with officials at medical centers and reviews of veterans' medical and administrative records. We telephoned the 198 veterans to discuss their medical conditions and their efforts to obtain medical care elsewhere.

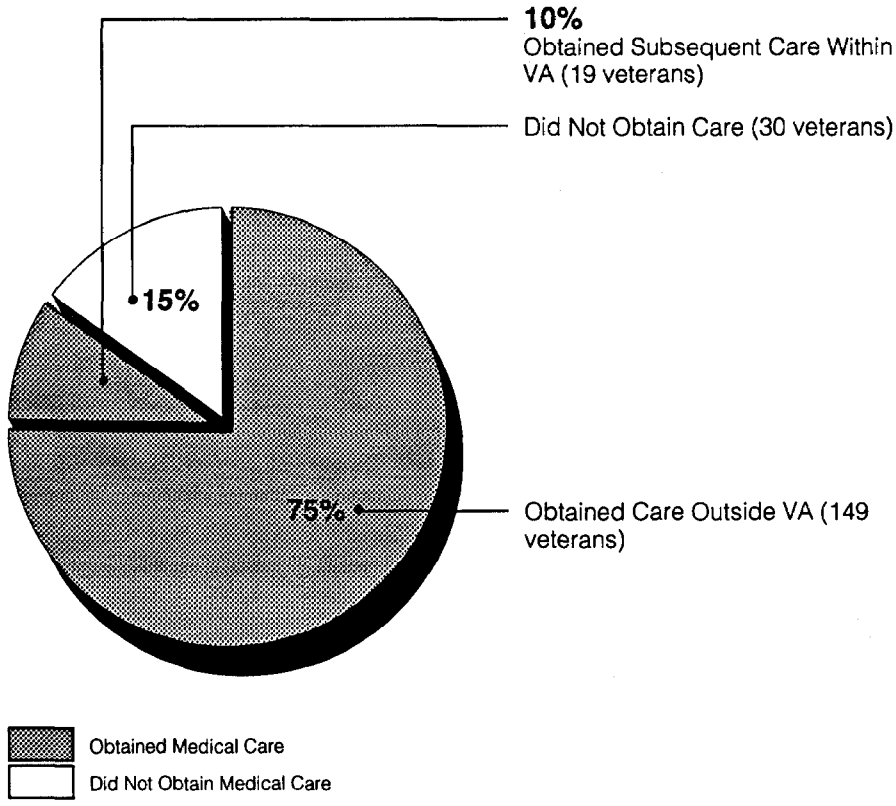
We briefed your office, as well as the office of the Subcommittee's ranking minority member, on the results of our work on May 7, 1993. As we discussed, our work represents a "snapshot" of what happened to the 198 veterans surveyed after they left the VA medical centers and, as such, does not assess the appropriateness of the centers' decisions to turn veterans away. We also did not review the medical appropriateness of VA's decisions or diagnoses. Because VA's data limitations required that we judgmentally select veterans to be surveyed, the results of our work cannot be applied to other veterans seeking outpatient care at the centers visited or at other centers nationwide. (See app. I for additional

information on our scope and methodology for identifying the 198 veterans surveyed.)

Results in Brief

Of the 198 veterans surveyed, 168 (85 percent) obtained needed care after VA medical centers turned them away. These veterans received diagnostic evaluations or needed treatment, including medication, for the same conditions for which they had initially sought treatment at the VA centers. The remaining 30 veterans did not obtain further medical care, primarily because they could not afford it. (See fig. 1.)

Figure 1: Most of the 198 Veterans Surveyed Obtained Needed Care



Background

The Veterans Health Administration operates VA's 158 medical centers, which comprise 171 hospitals, 240 outpatient clinics, 129 nursing homes, and 35 domiciliaries. In fiscal year 1992, VA spent about $14 billion to

provide veterans medical care through about 1 million inpatient hospital stays and about 24 million veteran visits to outpatient clinics.

Medical centers' evaluation and treatment processes have several phases. Veterans seeking outpatient services for medical conditions generally enter the process through VA's emergency/screening clinic. Evaluation and treatment phases may include developing a list of the veteran's medical concerns, obtaining a medical history and base-line laboratory data, conducting a physical examination, evaluating diagnostic tests, or developing treatment plans. Veterans may also receive treatment or medication or be admitted to a hospital or referred to other VA clinics for cardiology or orthopedics services.

Medical center staff may turn away veterans during any phase for two reasons: First, staff may turn away veterans if they do not meet statutory eligibility requirements.[1] Second, staff may turn away certain veterans if the medical center's resources are insufficient to serve all eligible veterans requesting outpatient care.[2]

Profile of Veterans

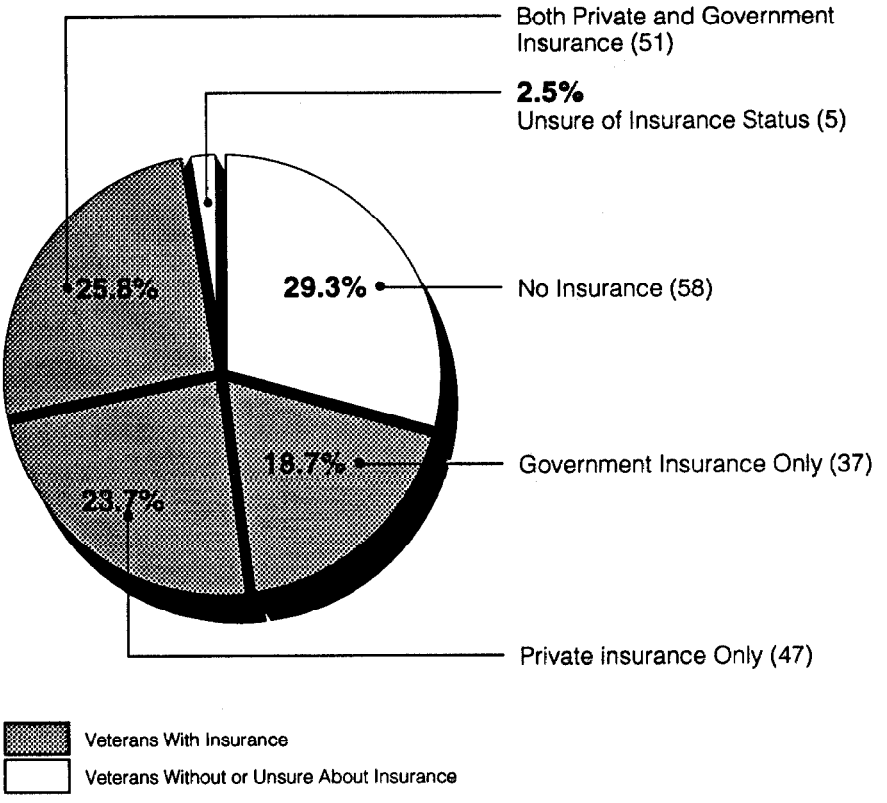
Nearly all 198 veterans we surveyed were male, and almost two-thirds were 60 years of age or older. The six VA medical centers collected financial information for 162 of these veterans that showed that (1) about 60 percent reported annual incomes of less than $20,000 and (2) 11 percent had assets greater than $50,000. For the other 36 veterans surveyed, financial information either was unavailable or not required as part of their application for VA care. As shown in figure 2 below, about 68 percent of the 198 veterans had health insurance, including nearly 26 percent who had both private and government insurance.[3]

[1]VA policy states that veterans should be evaluated by a health care professional shortly after applying for care. This evaluation focuses on the appropriate level of care needed (emergency or nonemergency); veterans who have medical emergencies are to receive care immediately and without regard to eligibility.

[2]VA's outpatient admissions processes are discussed in more detail in our report titled, VA Health Care: Variabilities in Outpatient Care Eligibility and Rationing Decisions GAO/HRD-93-106, July 1993.

[3]Appendix II provides further details on the age and financial status of the veterans surveyed.

Figure 2: Health Insurance Status of 198 Veterans Surveyed



Most Veterans Surveyed Obtained Non-VA Care

Of the 198 veterans surveyed, 149 received medical care from non-VA providers. When these veterans left the six medical centers, they needed varying levels of medical care. Some needed additional diagnostic evaluations, some needed treatment for conditions evaluated by VA medical staff during their visit, and others needed medication for conditions diagnosed by VA or non-VA physicians before they had visited the VA medical centers. Of the 149 veterans, 76 percent had health insurance.[4]

Veterans Needed Additional Diagnostic Evaluations

The six medical centers turned away veterans before their medical evaluations were completed and often referred them to private medical providers. At the medical centers, some veterans had their medical concerns recorded and their vital signs examined to assess the urgency of their need for medical care while other veterans received physical examinations or diagnostic tests. These veterans subsequently visited

[4]Appendix III shows the types of insurance of the 149 veterans.

private physicians and obtained additional tests and evaluations, as the following examples show.

- A veteran requested treatment for cold symptoms and lung congestion. Medical center staff examined the veteran's vital signs and took an X ray of his chest area. They advised him to consult a private physician for further evaluation and possible treatment. Within 2 days, the veteran visited a private physician who diagnosed his condition as pneumonia and provided needed treatment.
- A veteran requested treatment for rectal bleeding and diarrhea. VA medical center staff examined him and concluded that the bleeding was probably due to a hemorrhoid. In addition, the staff advised him to get a flexible sigmoidoscopy and barium enema from a private physician to determine the cause of the diarrhea. After obtaining the suggested tests at a private hospital, he learned that he did not need further treatment because the tests were negative.

Veterans Needed Treatment for Diagnosed Conditions

In many cases, veterans left VA needing treatment for conditions that VA medical center staff diagnosed. These veterans then went to non-VA medical providers and obtained treatment, ranging from medication to surgery, as the following examples show.

- A veteran requested treatment for chronic shoulder pain. Orthopedic clinic staff at the VA medical center evaluated the veteran's condition as possible mild arthritis. VA clinic staff advised the veteran to consult with a private physician about his condition. The veteran subsequently obtained medication from a private physician.
- A veteran requested treatment for vision problems. VA medical center staff diagnosed his condition as diabetic retinopathy (damage to the blood vessels of the retina, occurring as a complication of diabetes). VA staff advised him that he needed care from an eye doctor. He subsequently visited a private ophthalmologist who provided laser treatments to help preserve his eyesight.

Veterans Needed Medication for Chronic Conditions

Veterans surveyed often visited VA medical centers to obtain medication for conditions that had already been diagnosed by either a private or VA physician. These veterans generally had chronic conditions that required medication to be used over long periods of time, as the following examples show.

- A veteran requested medications needed to treat chronic cardiac and diabetic conditions. VA medical staff provided him a 2-week supply of diabetes medication to last until he received private care and a prescription for cardiac medication that he could obtain, at his own expense, from a private pharmacy. Center staff explained to him the adverse effects of abruptly discontinuing use of his cardiac medication. The veteran subsequently obtained the needed medications outside of VA.
- A veteran requested medication for Parkinson's disease that he needed to control the symptoms associated with the ailment, such as shaking. He subsequently obtained medication outside of VA.

Some Veterans Returned to VA for Care

Nineteen veterans surveyed returned to VA for treatment or medication for the same condition. Although these veterans were often referred to private physicians, they returned to either the same VA medical center or another VA center. VA officials said that some veterans often continue to apply for outpatient care even after a medical center turned them away. Ten of these veterans had health insurance when they visited VA.[5]

Same VA Medical Centers Provided Care

Some veterans who were turned away from VA outpatient care eventually received it by continuing to reapply at the same medical center. This occurs because eligibility rules for outpatient care are subject to medical interpretation, and VA staff frequently interpret them differently. In addition, medical centers' budget conditions might improve or changes in veterans' conditions may occur that afford them eligibility for outpatient care, as the following examples show.

- A veteran with a history of hypertension requested care for persistent headaches. VA medical center staff provided medication and advised him to have his blood pressure re-examined by a private physician in 2 or 3 weeks. He had not sought private care. Six months later, the veteran returned to the VA center three times during a 7-week period because he continued to experience headaches and was out of medication. On a fourth visit to the medical center, staff accepted him into an outpatient clinic to monitor his hypertension and provide medication.
- A veteran with a history of lung cancer requested treatment for bronchitis. VA medical center staff provided medication for bronchitis and advised the veteran to consult with a private physician for his condition. He did not seek private care and, 2 months later, returned to the VA center for coughing that had persisted for 4 days. Medical center staff hospitalized

[5]Appendix IV shows the types of insurance of the 19 veterans.

him for treatment of pneumonia and, after his discharge, continued to provide outpatient care.

Different VA Medical Centers Provided Care

Some veterans surveyed who were turned away from outpatient care by one VA medical center received care for the same condition at another medical center. This is because medical centers may have differing (1) interpretations of VA's outpatient eligibility criteria and (2) rationing policies for outpatient care. The following examples illustrate how veterans turned away by one center obtained care at another VA medical center.

- A veteran requested treatment for acute back pain that had persisted for 3 days. VA medical staff took an X ray, provided medication, and advised the veteran that his condition needed further evaluation. Instead of seeking private care, he requested care at another VA medical center. At the second center, staff used magnetic resonance imaging to diagnose his condition as disc damage. VA staff recommended that the veteran not undergo surgery at that time. He did not attempt to receive further medical care nor did he believe more care was needed.
- A veteran requested treatment for rectal bleeding at a VA medical center. After a preliminary evaluation, the center's staff advised him to seek further treatment from a private physician. Five months later, the veteran requested care at another VA medical center. At the second center, VA staff diagnosed his condition as colon cancer. Center staff surgically removed a tumor from his colon and provided radiation treatment and chemotherapy.

Some Veterans Did Not Obtain Needed Care

Of the remaining 30 veterans surveyed, none reported seeking further care after being turned away by VA medical centers. VA medical centers also often referred these veterans—like the other veterans we surveyed—to private care providers. About half of the 30 veterans cited financial reasons for not obtaining care, while the rest cited a variety of nonfinancial reasons. About 40 percent of these veterans had health insurance when they visited the VA centers.[6]

Veterans Cited Financial Reasons

Of the 30 veterans surveyed, 16 cited cost as the primary reason for not obtaining further medical care from private providers. Cost factors included a lack of adequate health insurance or the inability to make

[6]Appendix V shows the types of insurance of the 30 veterans.

required insurance deductibles or copayments. As the following examples show, some veterans needed additional diagnostic tests or medication.

- A veteran requested treatment for rectal bleeding occurring on three occasions during a 24-hour period. VA medical center staff conducted diagnostic tests that showed evidence of a large internal hemorrhoid with active bleeding. The staff concluded, however, that the results of one test should be clarified. They recommended that the veteran visit a private physician and obtain a flexible sigmoidoscopy and a barium enema to see if other factors also caused the bleeding. He said that his financial situation precluded seeing a private physician. He and his wife did not have health insurance and their combined income was about $40,000.
- A veteran requested treatment for psoriasis. He had been obtaining medication from a private dermatologist but could no longer afford the cost. Medical center staff examined him, provided some medication, and advised him to discuss with his private dermatologist whether a less expensive medication could be used. The veteran had not seen a dermatologist since that visit because he could not afford medication or other treatment. He reported an income of $12,000 and no health insurance.

Veterans Cited Nonfinancial Reasons

Fourteen veterans delayed seeking treatment for various nonfinancial reasons, such as difficulty obtaining appointments or a belief that they could live with the conditions, as the following examples show.

- A veteran requested care for vision problems. VA medical center staff diagnosed his condition as bilateral cataracts and advised him that the condition needed further evaluation. Although the veteran continued to believe he needed care, he reported that the condition was not particularly bothersome so he had not sought private care.
- A veteran participated in a hypertension research study at a VA medical center and, upon its completion, requested treatment for his hypertension at the same medical center. Medical center staff referred him to a community clinic to obtain needed care. The veteran reported that he was not taking any medication and had not seen a physician since his visit to VA. He reported that he felt fine without medication and believed no additional care was needed.

Observations

VA medical center staffs face difficult medical and administrative choices when veterans who apply for outpatient care do not meet the statutory

eligibility requirements or when the centers do not have sufficient resources to serve all who apply. For example, centers' staffs may provide little or no diagnostic testing when it is likely the centers will not treat the conditions presented. Centers' staffs may also complete diagnostic evaluations and provide little or no treatment—decisions that may be reasonable but may additionally burden already constrained centers' resources. VA centers exercise wide latitude in making these decisions when providing outpatient care to veterans.

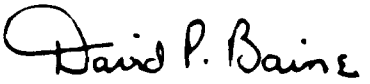
Veterans also face difficult choices if they have medical conditions that VA medical centers decline to treat. As the experiences of the veterans we surveyed show, factors other than insurance availability affect veterans' decisions on what to do when they are turned away from VA centers. For example, even though they may be insured, veterans' inability to make required insurance deductibles or copayments or their lack of coverage for certain aspects of their treatment (such as for medications) may result in some veterans' not seeking care from alternative sources.

We did not obtain written agency comments on this report, but we provided a copy of the draft report to the Under Secretary for Health. We discussed its contents with the Under Secretary and incorporated his comments as appropriate. In general, he concluded that the report demonstrates that the statutory eligibility requirements should be reformed. He reaffirmed that medical centers currently face difficult decisions regarding eligibility determinations.

As agreed with your office, unless you publicly announce its contents earlier, we plan no further distribution of this report until 30 days from the date of this letter. At that time, we will send copies of this report to the Secretary of Veterans Affairs; the Director, Office of Management and Budget; and other interested congressional committees. We will make copies available to others upon request.

If you have any questions regarding this report, please contact me on (202) 512-7101. Major contributors to this report are listed in appendix VI.

Sincerely yours,



David P. Baine
Director, Federal Health
Care Delivery Issues

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Abbreviations

VA Department of Veterans Affairs

GAO Methodology for Identifying 198 Veterans Turned Away by VA Medical Centers

At the request of the Chairman of the Subcommittee on Oversight and Investigations, House Committee on Veterans' Affairs, we examined whether veterans were obtaining medical care elsewhere when turned away from VA medical centers. Because VA does not maintain reliable records on veterans who are turned away, we had to, first, identify which of VA's 158 medical centers turned away veterans who needed medical care.

To do this, we asked each medical center to provide information about their service delivery practices during fiscal year 1991. Many medical centers told us that staff turned away veterans who needed care. After examining the information provided and discussing the situation with some medical centers' staff, we identified 14 centers that could identify veterans who were turned away for care. We judgmentally selected six of these centers for site visits. These were in Boise, Idaho; Columbia, Missouri; Indianapolis, Indiana; Iowa City, Iowa; Gainesville, Florida; and Togus, Maine.

The six centers provided a list of 2,873 veterans whose records indicated that they may have been turned away; none of the centers maintained a list of only veterans actually turned away. We randomly selected 991 veterans and used a two-step process—records review and interviews with veterans—to independently verify that veterans were actually turned away without receiving all needed care. We selected veterans who sought care between October 1, 1991, and March 31, 1992, to allow veterans sufficient time to obtain an appointment and receive care elsewhere.

By reviewing medical and administrative records and discussing them with centers' staff, we obtained evidence indicating that 380 of these veterans needed additional care that the centers had not provided. Our assessments focused on such indicators as referrals to local physicians and to other VA centers for consultations, applications for care without physicians' completed diagnostic evaluations, or cancellations by medical center staff of previously scheduled appointments. We excluded the remaining 611 veterans because records were not available for review or because our record reviews showed that they were not turned away or no further care was needed.

Between November 1992 and January 1993, we attempted to contact 380 veterans to verify that they needed medical care that the VA centers did not provide. Based on our telephone interviews, we determined that 198 of

these veterans were turned away without receiving needed care. We excluded the remaining 182 veterans because they

- could not be reached,
- only submitted an application to determine their eligibility for possible future treatment and did not require any medical care at that time,
- reported that the VA medical center either provided or offered the needed outpatient care, or
- couldn't recall, with sufficient specificity, the events surrounding their visit to the VA medical centers.

We conducted our review between August 1992 and January 1993 in accordance with generally accepted government auditing standards.

Selected Statistics About the Veterans GAO Surveyed

Figure II.1: Range of Ages of Veterans in Our Study

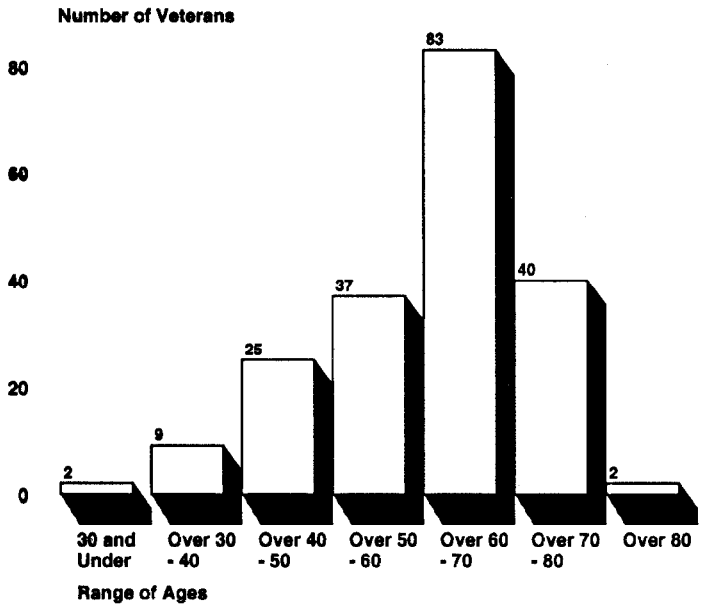
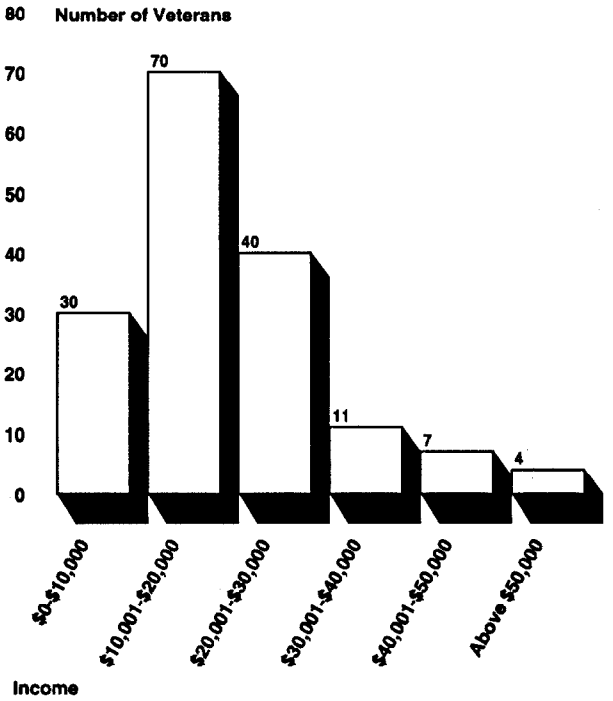
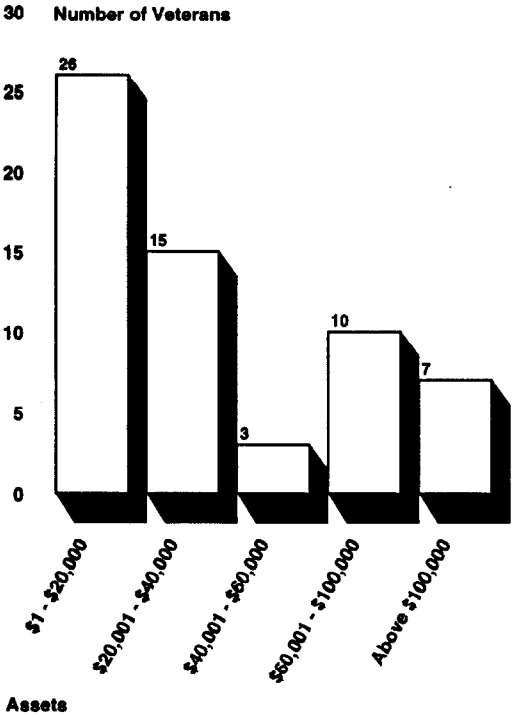


Figure II.2: Range of Annual Incomes Reported by Veterans in Our Study



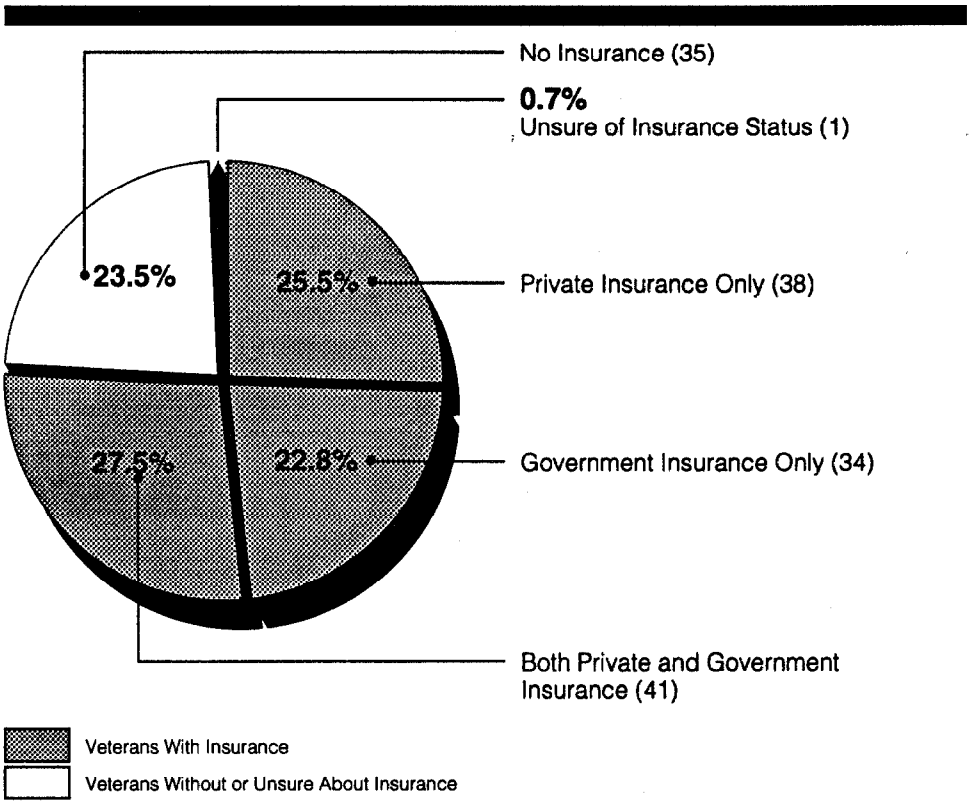
Note: Income information was not available for 36 of the veterans surveyed.

Figure II.3: Range of Assets Reported by Veterans in Our Study

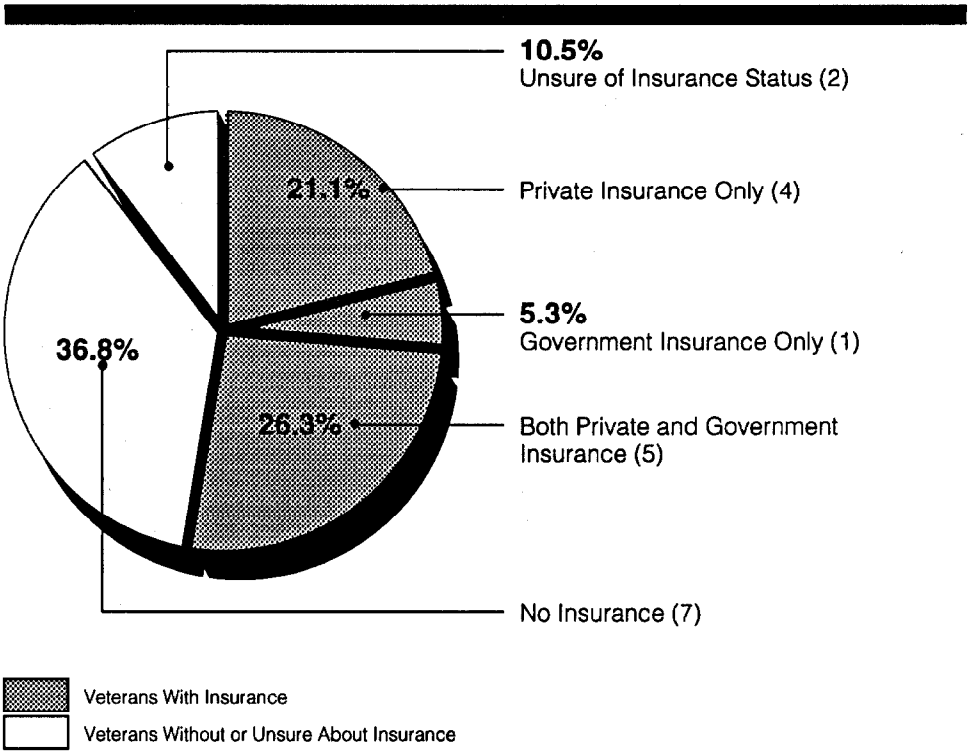


Note: Of the 162 veterans that reported income, 61 veterans reported assets of at least $1.

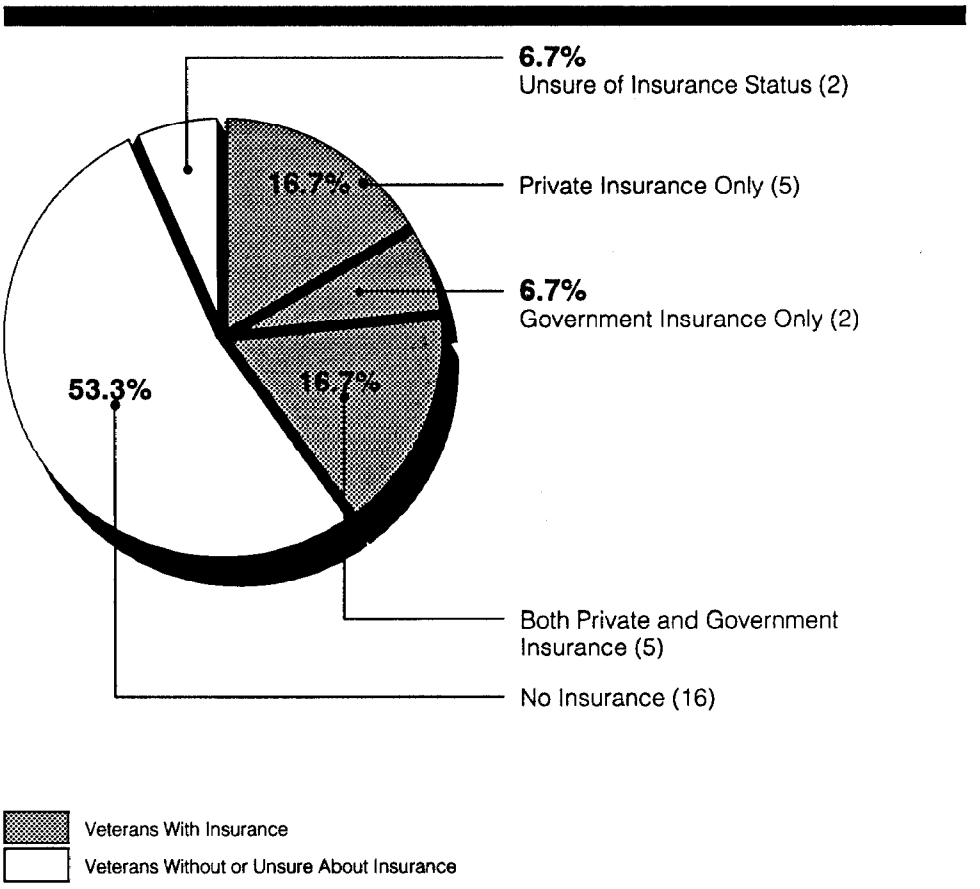
Health Insurance Status of 149 Veterans Who Obtained Care From Non-VA Providers



Health Insurance Status of 19 Veterans Who Subsequently Returned to VA for Care



Health Insurance Status of 30 Veterans Who Did Not Obtain Care After Leaving VA



Note: Percentages add to 100.1 percent due to rounding.

Major Contributors to This Report

Human Resources Division, Washington, D.C.	Paul Reynolds, Assistant Director (202) 512-7116 Walter Gembacz, Assignment Manager Mark Vinkenes, Senior Social Science Analyst
Boston Regional Office	Robert Dee, Regional Management Representative Richard LaMore, Evaluator-in-Charge Michelle St. Pierre, Evaluator
Dallas Regional Office	Donald Hass, Regional Assignment Manager Linda Kay Willard, Site Senior Terri Rivera, Evaluator

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